

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 26, 2015

Spenst Hansen Northstar Clay Mines, Inc. 33 Mammoth Main Street P. O. Box 190 Eureka, Utah 84628

Subject: Approval of Release Request and Reassignment of Surety, Northstar Clay Mines, Inc.,

January Mine Dump and Blackjack Mines, S/023/0100, S0230106, Juab County, Utah

Dear Mr. Hansen:

The Division of Oil, Gas and Mining approves your request received January 2, 2015, to release \$5500.00 of the reclamation surety being held for the January Mine Dump mine (S/023/0100) and apply this money toward the surety for the Blackjack mine (S/023/0106). This action reduces the reclamation surety being held for the January Mine Dump from \$7500.00 to \$5500.00 and increases the amount being held for the Blackjack mine to \$29,500.00.

By letter dated July 7, 2014, the Division required that the surety for the Blackjack mine be increased to a minimum of \$29,400.00. By transferring the assignment of this surety, the requirement to increase the surety for the Blackjack mine is fulfilled.

Enclosed with this letter are forms for amending the reclamation contracts for these two mines. Please sign these forms and return them to the Division.

Thank you for your cooperation. Please contact me at 801-538-5261 or Penny Berry at 801-538-5291 if you have questions about this letter.

Paul B. Baker

Minerals Program Manager

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